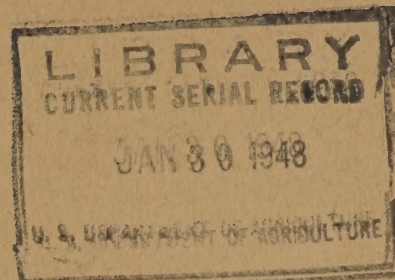


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FOR ADMINISTRATIVE USE



REA BOOKKEEPING COURSE

Text No. 16  
(Revised 6-25-46)

Operations Accounting - Typical Month







UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration  
Finance Division  
Washington 25, D. C.

OPERATIONS ACCOUNTING - TYPICAL MONTH

Text No. 16  
(Revised)

1. INTRODUCTION

In previous texts outlining REA bookkeeping procedures, we have been concerned primarily with those transactions which related to the periods of organization, preallotment, and construction. Practically all of the transactions dealt with the cost of constructing the electric plant. Upon completion of the construction, the lines are energized and the cooperative enters into what is termed the Operating Period," which is the period relating to the sale of energy to its consumers and the incurrence of necessary operating expenses. In this text we propose to deal with those transactions common to the operating period.

The practice followed in the previous texts of providing a series of events and illustrated journal entries will be continued in this text. Therefore, for reference purposes, the closing trial balance as shown by Text No. 15 is given below. It represents the status of the general ledger accounts at the beginning of the period of operations.

48 STATES ELECTRIC COOPERATIVE  
- ST. LOUIS, MISSOURI

TRIAL BALANCE AS OF OCTOBER 31, 1945

<u>Account No.</u>	<u>Name of Account</u>	<u>Debits</u>	<u>Credits</u>
103.2	Construction Work in Progress - Special Const.	\$367,867.97	
120.1	Cash - General	6,050.00	
120.2	Cash - REA Construction Fund - Trustee	40,791.25	
122	Petty-Cash	25.00	
125.4	Accounts Receivable - Special Construction	54.00	
131.1	Materials and Supplies - Electric	8,551.00	
132.1	Prepayments - Insurance	45.00	
132.2	Other Prepayments	120.00	
135.1	Allotment Available from REA - Construction	54,237.25	
200	Memberships Issued		\$ 6,075.00
213.1	Long-Term Debt - REA Construction		450,000.00
222.2	Accounts Payable - Special Construction		36,200.00
228.3	Accrued U.S. Social Security Tax - Old Age Benefit		9.00
229.4	Interest Accrued - Deferred - REA Construction		855.87
230.2	Accrued Employees' Income Tax Withheld		44.00
301	Organization	225.00	
350	Land and Land Right	2,436.20	
358	Line Transformers	2,718.00	
360	Meters	7,499.80	
372	Office Furniture and Equipment	1,271.40	
373	Transportation Equipment	1,050.00	
377	Tools and Work Equipment	242.00	
		<u>\$493,183.87</u>	<u>\$493,183.87</u>



2. METER READING, ACCOUNTING AND COLLECTING

a. Consumers' Ledger

Before the initial reading of meters is completed, the consumers' ledger should be established. This ledger may be either in the form of a loose-leaf ledger sheet or a card record. This record provides for recording the name of the consumer, the address, date of meter installation, account number, and any other information considered essential, such as meter numbers, etc. An illustration of the Consumers' Ledger Card was shown in Text No. 13, and an example is also given on the following page of this text.

It will be noticed that this record provides for recording by months the amounts of electric energy sales and penalties and payments thereof and the balance owing on the account. This record may be arranged alphabetically by consumers' names or numerically by meter route numbers.

b. Meter Reading

From the consumers' meters the necessary information is obtained to compute the amount of energy sales for a given period of time, usually one month. Meter readings may be obtained in two ways:

- (1) By using the services of regular meter readers, usually system employees, who devote part of their time to meter reading and part to other functions;
- (2) By the use of meter-reading cards, whereby the system mails a card to each consumer who then fills in the reading and returns the card to the system office--the "self billing" method.

Under either of the two methods, the cooperative personnel compute the energy sales by determining the kilowatt-hours which represent the difference between the present and prior month's meter readings. The bills are then prepared and mailed to the consumers. The choice of the method of meter reading is left to the discretion of the Cooperative's management.

The reading of meters, computation of kilowatt-hours consumed, determination of accounts receivable, and the segregation of consumers by classes are important functions because they provide the basis for control of the electric energy sales and charges made to the consumers' accounts. The control is maintained in Account 125.1 - Accounts Receivable - Electric Consumers.

c. Sales

In order to determine the total sales for the month, it is necessary to classify the sales in the various groups from the meter-reading records. The REA Manual of Accounts requires that energy sales be divided into various classes of sales. The following is a list of the operating revenue accounts.



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<u>Account No.</u>	<u>Description</u>
600	Residential Sales
601.1	Rural Sales - Farm
601.2	Rural Sales - Non-Farm
602.1	Commercial and Industrial Sales - Small
602.2	Commercial and Industrial Sales - Large
603	Public Street and Highway Lighting
604	Other Sales to Public Authorities
605	Sales to Other Electric Utilities
606	Sales to Other REA Systems
608	Other Sales
610	Rent from Electric Property
612	Consumers' Forfeited Discounts and Penalties
615	Miscellaneous Electric Revenues

It is presumed that the bookkeeper or billing clerk will have a clear understanding of the various classes of sales through the guidance of the management in making the distinction. Generally the consumers are classified and grouped according to the various classes of sales when the accounts receivable subsidiary records are established.

The next step after obtaining the meter-reading records is to prepare the energy bills. Individual bills are prepared by multiplying the number of kilowatt-hours used by the rate applicable to the particular number. These bills are then segregated into the various classes of sales and a summary is obtained from each group as to kilowatt-hours consumed and total value of energy sold. It may be desirable to have another individual verify the mathematical accuracy of the bills before preparing an adding machine tape for the total sales for the month.

Postings are then made to the individual consumers' accounts in the consumers' subsidiary record from the bills. Upon completion of the postings to the consumers' subsidiary record, it is regarded highly desirable to run another adding machine tape of the charges in order to prove the accuracy of the total postings made in the subsidiary record with the total sales as computed when the first tape was prepared from the bills.

Now we are ready to proceed with recording the total sales in the general ledger, which is effected by means of a journal entry. The following summary is obtained for sales of electric energy for the month of November, 1945 using the adding machine tape which was taken from the consumers' ledger:



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<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(1)	:	(1)		
Total electric sales for November have been computed in the amount of \$5,855.00.	:	125.1 Accounts Receivable- Electric Consumers	\$5,855.00	
	:	600 Residential Sales		\$ 210.00
	:	601.1 Rural Sales-Farm		3,385.00
	:	601.2 Rural Sales-Non-Farm		570.00
	:	602.1 Commercial and Indus- trial Sales-Small		1,140.00
	:	602.2 Commercial and Indus- trial Sales-Large		390.00
	:	603 Public Street and Highway Lighting		160.00
	:	To record total electric sales for November.		

It is vitally important that the adding machine tape taken from the consumers' ledger of the various groups of the accounts indicated above be preserved in a permanent file.

It is realized that some REA-financed systems may employ other methods of obtaining the above-mentioned data and making collections. In this instance, however, we are assuming that each consumer is billed monthly and that a period of ten (10) days is allowed for payment, after which time a penalty is added to the amount of the bill.

It is desirable that the meter-reading date be selected to conform as nearly as practicable to the date on which the meter that measures the power purchased by the cooperative is read. Some cooperatives retain a copy of each bill rendered to the consumer.

For the purpose of our illustration, the system has retained a copy of each bill which is used for reference purposes in accepting collections.

Collections are recorded on a daily collection sheet or by cashier's stubs and a receipt is given each consumer at the time his bill is paid. The total of the stubs should equal the daily cash collection. In entering these collections, the name of the consumer, the amount collected, and the purpose of the collection are shown.

## d. Penalties

Penalties are amounts added to individual consumers' bills when payment is not made within the prescribed period. Usually the prescribed period is ten (10) days after the bill is rendered. At the end of the prescribed period, the amount of penalty is added to each unpaid consumer's account. An adding machine tape is prepared to arrive at the total penalties assessed. From this tape an entry is made in the journal, debiting Account 125.1 - Accounts Receivable - Electric Consumers and crediting Account 612 - Consumers' Forfeited Discounts and Penalties, for the total amount of the penalties.



When collections of consumers' accounts are made after penalties have been added, the amount of each collection should include the energy bill plus the penalty; and the entire amount should be recorded as a credit to Account 125.1 - Accounts Receivable - Electric Consumers. If delinquent consumer payments are relatively few, it is permissible to handle the collection of the penalty as a cash transaction. That is, the amount of the energy bill will be credited to Account 125.1 - Accounts Receivable - Electric Consumers, and the amount of the penalty collected will be credited to Account 612 - Consumers' Forfeited Discounts and Penalties. The method of handling penalties should have the approval of the cooperative's management.

### 3. BASIC COST RECORDS

#### a. Daily Work Report

In order for the cooperative to maintain proper control over expenses it is necessary that employees' time be accounted for and charged to various activities performed. To accomplish this, it is necessary that a payroll record be maintained, together with the necessary time reports, showing distribution of the time and cost thereof for each employee. As an example, the manager spends part of his time in connection with construction activities, part in maintenance of the lines and part in general office work. Bookkeepers spend part of their time for meter reading and billing and part for general office work. To illustrate the method of keeping a record of the various activities and accounting for the time spent on each, an example of one form in general use is shown in this text as Illustration No. 2.

By use of this form it should be possible to have one source of all book information with respect to field activities. Provision has been made for the description of the work performed by seven employees and one truck. It is anticipated that this form can be used by a crew of seven men (or less) working together, or, possibly, by one man working alone. This report will be filled out by the head lineman or by any other employee, if working alone.

The manager bookkeeper and other employees whose time is spent for various activities may also report the distribution of their time on these forms, however, when travel is not involved the distribution may be made direct to the semi-monthly time sheet, by such employees, by recording the distribution of time on a daily basis.

The lineman should fill out completely the portion of the form dealing with speedometer readings. The "miles traveled" should agree with the total miles accounted for by trucks allocated to the particular type of work done.

Under "Description of Work" the lineman should record the hours worked opposite the activity listed.



The diagonal columns under the heading "Names of Workmen" are provided for the purpose of entering the names of the men engaged in the activity reported.

Under the caption "Hours Worked" the employee filling out the report should indicate the respective hours put in by the workmen whose names appear on the diagonal lines immediately above the columns.

The number of miles which the trucks have been driven allocable to each type of work done should be shown in the spaces provided under the column headed "Miles."

b. Semimonthly Time Sheet

The Daily Work Report is the basis for distribution of outside employees' time in accordance with REA Manual of Accounts. Employees will be spending portions of their time in connection with operations, maintenance, meter reading, billing, collecting, bookkeeping, etc., and it is important that a correct distribution of their time be made accordingly. As will further be noted, the form not only provides for the number of hours spent for each classification, but also provides for the account which is to be charged. Thus, the Daily Work Report provides the information needed to prepare the Semimonthly Time Sheet for the particular payroll period for which the employee is to be paid. A copy of the latter form appears as Illustration No. 3.

In entering on the Semimonthly Time Sheet the information from the Daily Work Report, the number of hours spent for each activity should be shown opposite the appropriate distribution heading. The total of the hours in the various date columns should, in all instances, equal the total hours worked. After information from all Daily Work Report forms has been entered on this summary for the particular payroll period to be covered, all of the various columns are then totaled, the total of the distribution equaling the total hours worked for the period. On the form for each employee, the salary rate for the particular period is entered, and also the amount of Social Security Tax and Income Tax Withheld, so that the net salary to be paid to the employee for the period is determined. A check is then drawn for the net amount. The amount to be charged to each activity is computed by multiplying the number of hours worked by the rate per hour.

It will be observed that this form is the basis for determining and issuing the payroll checks, and distributing the employees' time to appropriate accounts. The amount of salary earned by employees when overtime is involved cannot be determined until the total hours worked for the period are known.



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Payroll checks are issued to each employee in the amount shown opposite the caption "Net Amount." The original of the Semimonthly Time Sheet can serve as a receipt for those labor costs incurred in construction; while the duplicate can be filed with the General Funds check voucher.

c. Summary and Distribution of Transportation Costs

The cost of operating transportation equipment is reflected on the Daily Work Report. The cost of operating transportation equipment includes such items as gasoline, oil, repairs, garage rent, licenses, depreciation, etc. All such expenses are charged to Account 903 - Transportation - Clearing. Consequently, at the end of each month the entire cost of operating all transportation equipment will be shown in this account.

It should be noted that the form "Daily Work Report" provides a column for the total miles driven by each truck for each activity as well as for the account number to which the cost of operating the vehicle for each activity is to be charged. This information is to be posted daily from the Daily Work Report to the "Summary and Distribution of Transportation Costs" (Illustration No. 4).

It will be noted the same classification for account distribution is shown on this form as on that for classification of employees' time.

At the end of each month after all postings to the Summary and Distribution of Transportation Costs have been made from the Daily Work Report the various distribution columns are totaled. The total of these distribution columns should equal the total miles traveled for the month. In order to arrive at a cost-per-mile basis, the total cost of truck operation (as included in Account 903 - Transportation Expenses - Clearing) is divided by the total miles driven. The mileage rate thus determined is entered on the Summary and Distribution of Transportation Costs. This rate, multiplied by the number of miles run for each activity, provides an amount chargeable to that particular activity as shown by the various distribution columns on the form.

<u>EVENT</u>	:	<u>ENTRY</u>		
(2)	:	(2)	<u>Debit</u>	<u>Credit</u>
November, 1945	:	November, 1945		
Distribution of transportation	:	103.3 - Construction Work in		
expense for one truck	:	Progress-Force Acct.	\$24.87	
	:	350 - Land and Land Rights	8.75	
Total truck expense	:	761 - Operation of Lines	41.14	
\$126.89	:			
Total miles traveled	:			
31.74	:			
Cost per mile (126.89:31.74)	:	768 - Maintenance of Lines	52.13	
.04	:	903 - Transportation		
Miles traveled for Work Order	:	Expenses - Clearing	126.89	
Construction, Acct. 103.3 -	:			
622 x .04 = \$24.87	:			
	:	To record transportation expenses		
	:	for one truck for the month of		
Miles traveled for Right of Way,	:	November, 1945.		
Acct. 350 - 219 x .04 = \$8.75	:			
	:			
Miles traveled for Operations,	:			
Acct. 761 - 1029 x .04 = \$41.14	:			
	:			
Miles traveled for Maintenance,	:			
Acct. 768 - 1304 x .04 = \$52.13	:	- 7 -		



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d. Accounting for Materials

All material used in construction maintenance or operations is charged out of the stock-room on a Material - Job Charge Ticket. The size or Class, item description, quantity, unit price and total amount is shown. The line foreman or other person responsible for materials prepares the Material - Job Charge Ticket as it is taken from the stock-room. If more material is requisitioned than used it is returned to the stock-room and recorded on a Material - Job Credit Ticket. All material removed or returned to the stock-room is charged or credited on the tickets to a work order number or an expense account.

The bookkeeper posts the items and quantities of material shown on the tickets to the Summary of Material Items Used and Retired form. The tickets are priced from the Stock Record Card and amounts posted to the Material Summary and Distribution to Accounts form. At the end of the month the amounts posted on this form are totalled and a journal entry made as follows:

<u>EVENT</u>	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(3)	(3)		
November, 1945	November 30, 1945		
To record the amount of materials used for the month of November, 1945 - \$276.14	: 103.3 - Construction Work in Progress - Force Account		\$234.56
	: 761 - Operation of Lines		19.63
	: 768 - Maintenance of Lines		21.95
	: 131.1 - Materials and Supplies - Electric		\$276.14
	: To record the amount of materials used for the month of November, 1945.		

The "Summary of Materials Used and Retired" and other material forms will be described and their uses fully explained in a subsequent text dealing primarily with work order procedure.

e. Perpetual Inventory Card Record

A perpetual inventory card (stock record card) record should be maintained for all item of material on hand. This record may be in card form or in loose-leaf form which will provide sufficient information for the proper recording of the movement of materials in and out of stock. A card-record form is shown as Illustration No. 5.



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A separate card is to be maintained for each type of material. The arrangement of the record should be in accordance with the general classification of the type of material. For instance, all cards for poles should be together in one section, with a separate card for each class.

As materials are received entries should be made to the card record directly from the vendor's invoices, showing the following information:

Date of Purchase (check date)  
Quantity  
Unit Price  
Total Cost

In some instances it may be desirable to indicate on the line showing type of material the name of the vendor from whom purchased.

At the end of the month, when all postings have been made to the Summary of Material Items Used and Retired, this latter form should be totaled to reflect the quantity for each type of material used and retired during the month. The item price is then entered for each item using the current stock price as reflected on the stock record card. The total value of each type of items are then entered. Quantities and dollar amounts for the various types of material used and retired are then posted to the Stock Record Cards. The maintaining of the Stock Record Cards is known as the perpetual inventory.

At the end of the month after all postings have been made to the Stock Record Cards, the total balance as reflected by all of these cards should be in agreement with the balances as shown by Account 131.1 - Materials and Supplies - Electric.

## 4. TAXES

### a. Social Security Tax - Old Age Benefit

As a basis for discussion of the treatment of Social Security, Old Age Benefit, Tax, the following payroll distribution record for the month of November is presented:

#### PAYROLL DISTRIBUTION November, 1945

<u>Account</u> <u>Charged</u>	<u>Manager</u> <u>\$200</u>	<u>Bookkeeper</u> <u>\$150</u>	<u>Stenographer</u> <u>\$100</u>	<u>Lineman</u> <u>\$150</u>	<u>Total</u>
103.3	\$ 19.00			\$ 26.25	\$ 45.25
350	10.00			15.00	25.00
360	12.00			18.75	30.75
761	15.00			35.25	50.25
768	29.00			37.50	66.50
780	20.00	\$ 70.50	\$ 56.00	9.00	155.50
787	15.00		8.50	3.75	27.25
791	75.00	79.50	35.50		190.00
763	2.00				2.00
775	3.00			4.50	7.50
	<u>\$200.00</u>	<u>\$150.00</u>	<u>\$100.00</u>	<u>\$150.00</u>	<u>\$600.00</u>



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	<u>Manager</u>	<u>Bookkeeper</u>	<u>Stenographer</u>	<u>Lineman</u>	<u>Total</u>
<u>LESS</u>					
Social Security, Old					
Age Benefit, Tax	\$ 2.00	\$ 1.50	\$ 1.00	\$ 1.50	\$ 6.00
Income Tax Withheld	17.00	22.00	5.00	24.00	68.00
Net Amount Paid, Month					
of November	\$181.00	\$126.50	\$94.00	\$124.50	\$526.00

The Social Security Act provides that a certain percentage of an employee's salary shall be withheld at the end of each payroll period for payment of the old age benefit tax and that the employer shall pay a like amount. A check is issued to the employee for the amount of salary less the tax. Total Social Security Tax deduction from employees' salaries should be determined and a journal entry prepared accruing the employer's portion, which should be identical with the amount previously deducted from employees' salaries. The amount deducted is credited to Account 228.3 - Accrued U. S. Social Security Tax - Old Age Benefit. Of course, the debits to construction or expense accounts (as the case may be) are for the full amount of the salaries. When preparing the journal entry accruing the employer's portion for a like amount, credit is also made to Account 228.3. The employer's portion of such taxes during the construction period is considered part of the cost of constructing the lines and is, therefore, chargeable to Account 103.2 - Construction Work in Progress - Special Construction. During the operating period the expense is chargeable to Account 507.3 - Taxes - U. S. Social Security Tax - Old Age Benefit. The portion of salary applicable to work order construction is chargeable to Account 103.3 - Construction Work in Progress - Force Account.

In order to further illustrate the handling of these taxes, we shall now pay all salaries for the month of November:

<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(4)	:	(4)		
Paid manager's salary for the	:	103.3 - Construction Work		
month of November, issuing General	:	in Progress Force		
Funds Check No. 28, as follows:	:	Account	\$ 19.00	
	:	350 Land and Land Rights	10.00	
Salary \$200.00	:	360 Meters	12.00	
Less Social Security	:	761 Operation of Lines	15.00	
Tax, O.A.B. \$ 2.00	:	763 Operation of Street		
" Income Tax	:	Lighting and Signal		
Withheld 17.00 19.00	:	Systems	2.00	
Total amt. of Ck. \$181.00	:	768 Maintenance of Lines	29.00	



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## EVENTS

## ENTRIES

Debit      Credit

(4) (Cont.)

: 775	Maintenance of Street		
: :	Lighting and Signal		
: :	Systems	\$ 3.00	
: 780	Meter Reading,		
: :	Accounting and		
: :	Collecting	20.00	
: 787	Utilization	15.00	
: 791	General Office		
: :	Salaries	75.00	
: 120.1	Cash-General		\$181.00
: 228.3	Accrued U. S. Social		
: :	Security Tax-O.A.B.		2.00
: 230.2	Accrued Employees'		
: :	Income Tax Withheld		17.00
: :			
: :	Issued General Funds Check No.		
: :	28 for manager's salary for the month of		
: :	November.		

(5)

(5)

Paid bookkeeper's salary for the month of November. Issued General Funds Check No. 29, as follows:

Salary	\$150.00
Less Social Security	
Tax, O.A.B. \$ 1.50	
" Income Tax	
Withheld 22.00	23.50
Total Amt. of Ck.	\$126.50

: 780	Meter Reading		
: :	Accounting and		
: :	Collecting	\$70.50	
: 791	General Office		
: :	Salaries	79.50	
: 120.1	Cash-General		\$126.50
: 228.3	Accrued U. S. Social		
: :	Security Tax-O.A.B.		1.50
: 230.2	Accrued Employees'		
: :	Income Tax Withheld		22.00

: Issued General Funds Check  
: No. 29 for bookkeeper's salary for month  
: of November.

(6)

(6)

Paid stenographer's salary for the month of November. Issued General Funds Check No. 30, as follows:

Salary	\$100.00
--------	----------

: 780	Meter Reading,		
: :	Accounting and		
: :	Collecting	\$56.00	
: 787	Utilization	8.50	
: 791	General Office		
: :	Salaries	35.50	



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<u>EVENTS</u>		<u>ENTRIES</u>		<u>Debit</u>	<u>Credit</u>
(6) (Cont.)		(6) (Cont.)			
Less Social Security		: 120.1 Cash-General			\$ 94.00
Tax, O.A.B. \$ 1.00		: 228.3 Accrued U. S. Social			
" Income Tax		: Security Tax-O.A.B.			1.00
Withheld 5.00	\$ 6.00	: 230.2 Accrued Employees'			
Total Amt. of Ck.	\$94.00	: Income Tax Withheld			5.00
		: Issued General Funds Check			
		: No. 30 for stenographer's			
		: salary for month of November.			
(7)		(7)			
Paid lineman's salary for the month		: 103.3 Construction Work			
of November. Issued General Funds		: in Progress-Force			
Check No. 31, as follows:		: Account	\$26.25		
Salary \$150.00		: 350 Land and Land Rights	15.00		
Less Social Security		: 360 Meters	18.75		
Tax, O.A.B. \$ 1.50		: 761 Operation of Lines	35.25		
" Income Tax		: 768 Maintenance of Lines	37.50		
Withheld 24.00	25.50	: 780 Meter Reading,			
Total Amt. of Ck.	\$124.50	: Accounting, and			
		: Collecting	9.00		
		: 787 Utilization	3.75		
		: 775 Maintenance of			
		: Street Lighting and			
		: Signal Systems	4.50		
		: 120.1 Cash-General		\$124.50	
		: 228.3 Accrued U. S. Social			
		: Security Tax-O.A.B.			1.50
		: 230.2 Accrued Employees'			
		: Income Tax Withheld			24.00
		: Issued General Funds Check			
		: No. 31 for lineman's salary for month of			
		: November.			
(8)		(8)			
The employer's portion of this		: 103.3 Construction Work			
tax should be accrued each month		: in Progress-Force			
by a journal entry.		: Account	\$ .45		
		: 350 Land and Land Rights	.25		
		: 360 Meters	.31		
		: 507.3 Taxes-U. S. Social			
		: Security-O.A.B.	4.99		
		: 228.3 Accrued U. S. Social			
		: Security Tax-O.A.B.		\$ 6.00	
		: To record accrued Social Security Tax-			
		: O.A.B. to be paid by employer for month			
		: of November.			



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The reader should refer to the payroll distribution given on page 11 and study it, together with journal entry No. 8. It should be thoroughly understood that the tax for any salary involving charges to capital accounts (such as Accounts 350 - Land and Land Rights, 360 - Meters, and 103.3 - Construction Work in Progress - Force Account) is not to be charged to Account 507.3 - Taxes - U. S. Social Security - Old Age Benefit, but should be considered as part of the cost of construction.

### b. Social Security Tax - Unemployment

The Federal Social Security, Unemployment Tax law provides that the full amount of the unemployment tax will be paid by the employer, no portion being deducted from the employee's salary. This tax is based on 3 per cent of the total salary, and is applicable to those firms employing eight or more persons. Under the Federal law, if the State has not adopted a state unemployment law, the full amount of the tax must be paid to the Federal Government. But if the State does have such a law, payments made to the State thereunder may be credited against the Federal tax up to 90 per cent thereof. Most states have set a rate of 2.7 per cent of salaries, thus making the Federal portion automatically .3 per cent.

For the purpose of continuing illustrative entries we shall assume that the 48 States Electric Cooperative is located in a state which has enacted a state unemployment law and that it has eight or more employees and is, therefore, subject to the unemployment tax. By again referring to the payroll distribution, it will be observed that for the month of November salaries paid amounted to \$600.00. By applying the 3% unemployment tax rate, the unemployment tax is determined to be \$18.00.

<u>EVENT</u>		<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(9)		(9)		
Accrued State and U. S. Social Security Tax - Unemployment for the month of November.	:	103.3 Construction Work in Progress-Force Account	\$ 1.36	
	:	350 Land and Land Rights	.75	
	:	360 Meters	.92	
	:	507.2 Taxes-U. S. Social Security-Unemployment	1.50	
	:	507.4 Taxes-State Social Security-Unemployment	13.47	
	:	228.2 Accrued U. S. Social Security Tax-Unemployment		\$ 1.80
	:	228.4 Accrued State Social Security Tax-Unemployment		16.20
	:	To record accrued State and U. S. unemployment taxes for November.		



c. Property Tax

Usually property taxes such as those involving valuation placed on lines, real estate, buildings, etc., are payable yearly and generally near the end of the taxable year. In order that expense accounts will reflect the proper portions of tax expense, taxes are accrued each month. Usually, estimates are based on amounts paid in previous years, if such a record is available. Property tax may be the result of assessment based upon reports required by State taxing authorities.

<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(10)	:	(10)		
For the purpose of illustration let us assume that the estimated tax on lines will be approximately \$1200.00 per year or \$100.00 per month.	:	507.1 Taxes - Property	\$100.00	
	:	228.1 Accrued Property Taxes		\$100.00
	:	To accrue estimated property taxes for the month of November.		

d. Other Taxes

From time to time it may be necessary to pay other tax items usually on a yearly basis involving small amounts. Payment of these taxes is made by check and the charges are made to appropriate accounts of the 507 - Taxes series.

5. INSURANCE

Insurance premiums paid by REA cooperatives are generally divided into two classes: (a) full amount of premium paid in advance for a year or more, and (b) estimated premiums, on policies such as Workmen's Compensation, Public Liability and Property Damage. In the latter case the full amount and final premium is not determined at the time of payment because of the fact the policies carry rates based on total payroll and other factors which are not determinable until the end of the insured period, and an audit is usually made by an agent of the insurance company to determine the exact premium expense for the insured year. In the case of (a) above, as the premium is paid in advance, the amount paid is charged as a prepayment to Account 132.1 - Prepayment Insurance and is written off each month on a straight-line basis. The monthly amount written off is determined by dividing the cost of the policy by the number of months in the period covered by the policy. The minimum or estimated premium paid as in (b) is also charged to Account 132.1 - Prepayments--Insurance.

We shall explain the theory which should be followed in recording the entries for insurance. Policies for public liability and property damage and for workmen's compensation are issued on the basis of an estimated payroll.



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Therefore, the premium is an estimated amount. The rates per hundred for inside and outside employees' salaries should be used in determining the insurance cost per month. As an example, Policy #OIT, dated November 1, 1941, was for an estimated annual payroll of \$3,000.00 with an estimated minimum premium of \$90.00 with rates of \$3.281 per hundred for outside employees and \$.90 per hundred for inside employees. Assume that the co-operative has a monthly payroll of \$500.00 for outside employees and \$200.00 for inside employees. To record the transaction the following entries would be made:

(1)	Dr. 132.1 - Prepayments-Insurance	\$90.00	
	Cr. 120.1 - Cash-General		\$90.00
	To record the payment of an estimated premium on Policy #OIT.		

(2)	Dr. 799 - Injuries and Damages	18.20	
	Cr. 132.1 - Prepayments-Insurance		18.20
	To record the monthly insurance based on payroll and premium rates.		
	Outside = \$500 x 3.281 =	\$16.40	
	Inside = \$200 x .90 =	1.80	

Note: Entry #2 would apply for the first four months.

(3)	Dr. 799 - Injuries and Damages	18.20	
	Cr. 132.1 - Prepayments-Insurance		17.20
	230.4 - Accrued Insurance		1.00
	(Explanation same as for entry #2).		

You will note that during this month the actual cost has exceeded the amount of estimated premium paid by \$1.00, therefore for the remainder of the life of the policy an accrued liability should be recorded.

(4)	Dr. 799 - Injuries and Damages	18.20	
	Cr. 230.4 - Accrued Insurance		18.20
	(Explanation same as for entry #2).		

Note: This entry would apply for seven months, or the remainder of the policy period.

From this illustration it will be noted that the total insurance cost for the policy period has been taken into consideration and charged to expense in the month in which it was incurred. Also, a liability in the amount of \$128.40 has been set up for the additional premium for which the cooperative will be billed when the insurance company makes a payroll audit. When this statement



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for additional insurance is paid the entry would be as follows:

Dr. 230.4 - Accrued Insurance	\$128.40	
Cr. 120.1 - Cash-General		\$128.40

To record payment of additional premium on  
Policy #OIT.

This would clear the account for the accrued liability. However, if the pay-roll audit statement should be for a different amount, an adjustment should be made to correct the accounts affected.

This example, if set up on "T" accounts, will enable you more clearly to understand the accounting procedure.

In order to provide an analysis of the various premiums paid and the balance remaining in Account 132.1 - Prepayments Insurance, an Insurance Register should be maintained to furnish all of the necessary details. As the premiums on the policies are paid and charged to Account 132.1 - Prepayments Insurance, an entry should also be made in the Insurance Register. This register contains columns reading from left to right as follows:

Policy Number
Name of Company
Coverage
Type
Amount
Period Covered
Total Premium Paid
Premium charged to expense
Prepaid and Accrued (a column provided for each month)
Unexpired Premiums Close of Year

The balance shown under the caption Amount of Unexpired Premium, Account 132.1 - Prepayment-Insurance should be kept in agreement with the general ledger account balance.

A pro rata share of the yearly insurance expense is written off each month. The monthly write-off should be segregated between Account 798 - Insurance Expense and Account 799 - Injuries and Damages. Account 798 should be charged with expense related to fire and extended coverage insurance and to fidelity bonds. Account 799 should be charged with the premiums for such types of insurance as workmen's compensation, public liability and property damage, manufacturers liability, non-ownership automobile liability, etc. The expense of owned automobile liability insurance is charged to Account 903 - Transportation Expense - Clearing.



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<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(11)	:	(11)		
Paid for additional insurance as follows:	:	132.1 Prepayments-Insurance	\$53.00	
Fire & Wind Storm-Material 24.00	:	120.1 Cash-General		\$53.00
Fire & Wind Storm-Office Eq. 12.00	:	Issued check No. 32 to cover additional		
Employees' Bond 12.00	:	insurance, as follows:		
Workmen's Compensation 5.00	:	Fire & Wind Storm-Material		\$24.00
	:	Fire & Wind Storm-Office Eq.		12.00
Issued check No. 32 for \$53.00.	:	Employees' Bond		12.00
Period of Above policies, 11/1/45 to 10/31/46.	:	Workmen's Compensation		5.00

At the end of each month, as stated, insurance expense should be charged with the monthly portion of the total cost for the year.

<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(12)	:	(12)		
The November write-off is based on the total amount of the premiums just paid plus the \$45.00 premiums paid on October 31 for an owned-automobile public liability and property damage policy. (The \$487.00 worth of insurance purchased in the early part of the construction period is not considered in this entry because of a notice received in November from the insurance company canceling all policies in the state written prior to October.)	:	798 Insurance	\$ 4.00	
	:	799 Injuries and Damages		6.00
	:	903 Transportation Expenses-Clearing		3.75
	:	132.1 Prepayments-Insurance		\$12.75
	:	230.4 Accrued Insurance		1.00
To record insurance expense for the month of November.	:			

Information for insurance entries should be taken from the outline as shown on the insurance register. That the reader may understand the above entry, the following explanation is offered:

Fire and Wind Storm - Material \$24.00 (12 months) - one month	\$ 2.00
Fire and Wind Storm - Office Equip. \$12.00 (12 months) - one month	1.00
Employees' Bond \$12.00 (12 months) - one month	1.00
Total Insurance Expense - Account 798	\$ 4.00
Automobile \$45.00 (12 months) Transp. Exp.-Clearing-Acct. 903 - one month	\$ 3.75



The workmen's compensation policy calls for the payment of a minimum premium of \$5.00. It is assumed that computations made under rates of policy applicable to inside and outside employees' salaries are based on present payroll, indicating that an additional premium of \$67.00 will have to be paid at the time the Insurance Company makes an audit of the payrolls. The total premium, therefore, (\$5.00 paid plus \$67.00 to be paid) amounts to \$72.00, which indicates insurance expense for the month should be \$6.00. As only \$5.00 has been paid, the balance in Account 132.1 as shown in the insurance register is not sufficient to cover 1/12 of the full premium. It is necessary, therefore, in debiting Account 799 - Injuries and Damages with \$6.00 to credit Account 230.4 - Accrued Insurance with \$1.00 and Account 132.1 with \$5.00. In the succeeding eleven months it will be necessary to credit Account 230.4 - Accrued Insurance with \$6.00 each month, making a total of \$66.00 plus \$1.00, or \$67.00, additional premium to be paid.

## 6. DEPRECIATION

"Depreciation" may be defined as the consumption of investment in property, or the loss in the service capacity of property, due to use, wear and tear, physical deterioration, the current action of the elements, obsolescence, inadequacy. Briefly, it results from the usual forces and conditions which limit the service life of property and cause its retirement. Depreciation definitely is an element of cost and should be made a part of the operating expense of the Utility Plant. In order to compute depreciation so that it may be considered part of the monthly operating expense, the following rates are used:

Distribution Plant - 3.48% per annum (the balance reflected in Account 103.4, Unclassified Electric Plant in Service, should be depreciated at the same rate as the Distribution Plant). (No other clearing accounts are to be depreciated).

Office Buildings - 2% per annum (for concrete and brick structures, and 3% for wood structures).

Office Furniture and Equipment - 6% per annum

Transportation Equipment - 33 1/3% per annum

Stores Equipment - 6% per annum

Shop Equipment - 6% per annum

Laboratory Equipment - 6% per annum



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Tools and Work Equipment - (Only small tools are to be charged to this account and are not to be depreciated).

Communication Equipment - 4% per annum

Miscellaneous Equipment - 4% per annum

Electric Plant Purchased - Dr. 3.48%

Unclassified Electric Plant in Service (Distribution 3.48%)

Depreciation should be figured on the balance in each account as of the first day of each month under the service classifications indicated above. Separate registers or cards should be established for this purpose.

The balance of affected accounts at the beginning of the month for which the computation is being made, plus actual cost of distribution plant placed in service prior to the 16th of that month, less actual cost of distribution lines retired from service prior to the 16th of the month, gives the basis of the depreciation computation. For example:

Balance of Account 351 on 1/1/45	- 0 -
Balance of Account 352 on 1/1/45	\$ 10,000.00
Balance of Account 354 on 1/1/45	150,000.00
Balance of Account 355 on 1/1/45	300,000.00
Balance of Account 358 on 1/1/45	50,000.00
Balance in Account 359 on 1/1/45	20,000.00
Balance in Account 360 on 1/1/45	30,000.00
Balance of Account 363 on 1/1/45	3,000.00
Balance of Account 391 on 1/1/45	- 0 -
Plus total actual cost of work order construction placed in service between January 1 and January 16	1,000.00
Less total original cost of distribution plant retired from service between January 1 and January 16	( 500.00)
Basis for figuring depreciation provision	<u>\$563,500.00</u>

1/12 of 3.48% of \$563,500.00 or provision for depreciation, month of January      \$ 1,634.15

The provision above will be recorded by the following entry:

Debit Account 503.3 - Depreciation of Distribution Plant	\$ 1,634.15
Credit Account 250.3 - Reserve for Depreciation of Distribution Plant	\$ 1,634.15

To record depreciation of distribution plant for month of January 1945.



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Depreciation Registers (preferably card record) should be established for each piece of equipment included in the General Plant, for example:

Office Buildings - Account 371 - Structures and Improvements

Office Furniture and Equipment - Account 372 - Office  
Furniture and Equipment

Transportation Equipment - Account 373 - Transportation  
Equipment

Stores Equipment - Account 374 - Stores Equipment

Shop Equipment - Account 375 - Shop Equipment

Laboratory Equipment - Account 376 - Laboratory Equipment

Communication Equipment - Account 378 - Communication  
Equipment

Miscellaneous Equipment - Account 379 - Miscellaneous  
Equipment

Balances reflected in the various depreciation registers should agree with the balances as reflected under the 250 Series, Reserve for Depreciation. In the event an electric plant has been acquired through purchase, and a balance remains undistributed in Electric Plant Purchased - Account 391, this balance is to be included on the register for Distribution Plant.

To record depreciation of Distribution Plant for the month of January, 1945, at the close of business of the calendar year, the total cost of depreciation lodged in the 503 Series should be charged directly to Surplus. The cost of completed construction or extensions lodged in Account 103.4, Unclassified Electric Plant in Service, should be computed the same as the 250 Series.

Under the plan of recording depreciation described above, it will often be necessary to analyze the clearing account 103.4 to arrive at accurate figures of cost of plant in service at the beginning of a given month and value for additions and retirements during that month. In connection with clearing accounts, the following principles are presented:



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1. Amounts contained in account 103.4 representing cost of plant in service at the beginning of a month, as well as additions to plant placed in service between the 1st and 16th of the month and which have not been recorded or distributed to the electric plant accounts, should be included in the basis for computing depreciation for that month.
2. Total original cost of plant retired between the 1st and 16th of the month should be deducted from the basis on which depreciation is computed.
3. Tangible plant in service should be depreciated, regardless of the account or accounts in which the cost of that plant may be included on the books.
4. The intangible plant accounts (301, 302, 303) and the land and land rights accounts (310, 320, 330, 340, 350) should not be depreciated.
5. Cost of incomplete constructions, such as sections shut down before completion, will not be depreciated until such time as that construction is completed and the line is placed in service.

It will be observed that under this procedure it will be difficult to compute depreciation accurately each month unless work orders are kept current.

Depreciation on generating and transmission plants is figured in a like manner. For the purpose of continuing our operating transactions for the month of November, it will be necessary that we consider depreciation on the distribution plant which has been energized but which remains in Account 103.4 pending an REA Audit and clearance to final plant accounts by an REA Auditor.

The computation of depreciation for the month of November, 1945, was made as follows:

Distribution Plant:

Balance Account 103.4 - 11/1/45	\$367,752.75	
Balance Account 358 - 11/30/45	2,718.00	
Balance Account 360 - 11/30/45	7,531.78	
Net Plant	<u>\$378,002.53</u>	
Depreciation on Plant, 1/12 of 3.48%		\$1,096.21

General Plant:

Balance Account 372 - 11/30/45	\$ 1,271.40	
Depreciation, 1/12 of 6%		\$ 6.35
Balance Account 373 - 11/30/45	1,050.00	
Depreciation, 1/12 of 33 1/3%		<u>29.09</u>
Total Depreciation, General Plant		35.44
Total Depreciation for November, 1945		<u>\$1,131.65</u>



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Registers should be established and computations made in accordance with the Depreciation Procedure Manual released January 1, 1944. In order that you may acquire a more thorough knowledge concerning the accounting treatment of depreciation, it is recommended that you study the Depreciation Procedure Manual made effective January 1, 1944.

<u>EVENT</u> (13)	<u>ENTRY</u> (13)
Recorded depreciation as of November 1 on general plant during construction period:	103.2 Construction Work in Progress -
Office Equipment, \$882.90 -	Special Construction \$70.28
.5% per month - July through October \$ 17.64	250.4 Reserve for Depreciation of General Plant \$70.28
Transportation Equipment, \$950.00 - 2.77% per month -	
September and October 52.64	To record depreciation on general plant as of November 1, 1945 -
\$ 70.28	end of construction period.
(13A)	(13A)
Recorded general plant depreciation for November per above calculation:	503.4 Depreciation of General Plant \$ 6.35
	903 Transportation Expenses -
	Clearing 29.09
	250.4 Reserve for Depr. of General Plant \$35.44
	To record depreciation on general plant for November, 1945.
(13B)	(13B)
Transferred balance of account 103.2 to Unclassified Electric Plant in Service, pending an audit, since the plant was completed November 1.	103.4 Unclassified Electric Plant in Service \$367,752.75
	103.2 Construction Work in Progress -
	Special Constr. \$367,752.75
	To transfer cost of completed construction to Unclassified Electric Plant in Service.



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<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(13C)	:	(13C)		
Recorded distribution plant depreciation per preceding calculation.	:	503.3 Depreciation of Distribution Plant	\$1096.21	
	:	250.3 Reserve for Depr. of Distribution Plant		\$1096.21
	:	To record depreciation on distribution plant for November, 1945		

7. ADDITIONAL EVENTS TYPICAL OF THE OPERATIONS PERIOD

The following events of a routine nature are outlined for the month of November, 1945:

<u>EVENTS</u>	:	<u>ENTRIES</u>	<u>Debit</u>	<u>Credit</u>
(14)	:	(14)		
Paid for gasoline and oil used in truck for month of November.	:	903 Transportation Expenses-Clearing	\$ 79.55	
Check No. 33 issued in the amount of \$79.55.	:	120.1 Cash-General		\$ 79.55
	:	Issued check No. 33 for gasoline and oil used in truck for month of November.		
(15)	:	(15)		
Paid for repairs to truck. Issued check No. 34 in the amount of \$4.50.	:	903 Transportation Expenses-Clearing	\$ 4.50	
	:	120.1 Cash-General		\$ 4.50
	:	Issued check No. 34 for repairs to truck.		
(16)	:	(16)		
Purchased miscellaneous general office supplies. Issued check No. 35 in the amount of \$10.50	:	793 General Office Expenses	\$ 10.50	
	:	120.1 Cash-General		\$ 10.50
	:	Issued check No. 35 for miscellaneous office supplies.		



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<u>EVENTS</u>	:	<u>ENTRIES</u>	<u>Debit</u>	<u>Credit</u>
(17)	:	(17)		
Paid for telephone and telegraph service for the month of November.	:793	General Office Expenses	\$ 10.87	
Issued check No. 36 in the amount	:120.1	Cash - General		\$ 10.87
	:	Issued check No. 36 for telephone and telegraph service for month of November.		
(18)	:	(18)		
Paid wholesale power bill for the month of November. Issued check No. 37 in the amount of \$720.00	:738	Purchased Power	\$720.00	
	:120.1	Cash-General		\$720.00
	:	Issued check No. 37 for November wholesale power bill.		
(19)	:	(19)		
Purchased line materials. Issued check No. 38 in the amount of \$347.18.	:131.1	Material and Supplies- Electric	\$347.18	
	:120.1	Cash-General		\$347.18
	:	Issued check No. 38 for line materials.		
(20)	:	(20)		
Purchased a feed grinder for demonstration purposes. Issued check No. 39 in the amount of \$12.50	:131.2	Material and Supplies- Resale	\$ 12.50	
	:120.1	Cash-General		\$ 12.50
	:	Issued check No. 39 for feed grinder purchased for demonstration purposes.		
(21)	:	(21)		
Paid expense in connection with unelectrified farm survey. Issued check No. 40 in the amount of \$115.20.	:142	Preliminary Survey and Investigation Charges	\$115.20	
	:120.1	Cash-General		\$115.20
	:	Issued check No. 40 to cover expense in connection with unelectrified farm survey.		
(22)	:	(22)		
Paid bank service charge. Issued check No. 41 in the amount of \$1.50.	:793	General Office Expenses	\$ 1.50	
	:120.1	Cash-General		\$ 1.50
	:	Issued check No. 41 for bank service charge.		



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<u>EVENTS</u>	<u>ENTRIES</u>	<u>Debit</u>	<u>Credit</u>
(23)	(23)		
Paid directors' fees and mileage for November, 1945. Issued check No. 42 in the amount of \$39.00	:801.1 Directors Fees and Mileage	\$39.00	
	:120.1 Cash-General		\$39.00
	:Issued check No. 42 for directors' fees and mileage.		
(24)	(24)		
Subscribed for REA News for one year check No. 43 issued in the amount of \$3.00	:801.4 Misc. General Expenses Organizations	\$ 3.00	
	:120.1 Cash-General		\$ 3.00
	:Issued check No. 43 for one year's subscription for REA News.		
(25)	(25)		
Credit construction clearing account for 2/3 of cost of three months' truck license. License purchased in October; system energized November 1.	:903 Transportation Expenses-Clearing	\$10.00	
	:103.2 Construction Work in Progress-Special Construction		\$10.00
	:To transfer 2/3 of cost of truck license from construction account to transportation expense.		
(26)	(26)		
Reimburse Petty Cash:	:793 General Office Expenses	\$ 8.62	
Typewriter Ribbon \$1.50	:120.1 Cash-General		\$ 8.62
Stationery .47			
Light Bulbs .82	:Issued check No. 44 to reimburse Petty Cash Fund.		
Janitor Supplies 4.83			
Postage 1.00			
\$8.62			
Check No. 44 in the amount of \$8.62 issued in payment of above.			
(27)	(27)		
Ten membership subscriptions collected @ \$5.00 each.	:120.1 Cash-General	\$50.00	
	:204 Memberships Subscribed but unissued.		\$50.00
	:To record receipt of ten membership subscriptions @ \$5.00 each.		



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<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(28)	:	(28)		
To record interest for the month of November on money advanced from REA. Charged to operating expense.	:	530.1 Interest on REA Construction Loan	\$650.57	
	:	229.4 Interest Accrued-Deferred-REA Construction		\$650.57
	:	To record accrued interest on construction loan.		

The insurance cancellation notice mentioned in Event 12 stated that refunds would be made on a short rate cancellation basis. Refunds were received as follows:

<u>POLICY</u>	<u>PREMIUM PAID</u>	<u>AMOUNT REFUNDED</u>
Non-Ownership Automobile	\$ 20.00	\$ 7.50
Fidelity Bond and Fire	17.00	6.75
Manufacturer's Public Liability and Workmen's Compensation	450.00	168.75
Total Refund		\$183.00

Upon referring to the previous text the student will note that all of these premiums were charged (either directly or by reimbursement) to Account 103.2 - Construction Work in Progress - Special Construction except for the premium of \$20.00, which was charged to Account 350 - Land and Land Rights. The following entry would be made to record the amount refunded.

<u>EVENT</u>	:	<u>ENTRY</u>	<u>Debit</u>	<u>Credit</u>
(29)	:	(29)		
The insurance company canceled the policies listed above which had been paid for by General Funds checks Nos. 8 and 23 in the amounts of \$20.00 and \$17.00, respectively, and REA Construction Funds check No. 31 in the amount of \$450.00. The entire amount of refund is deposited in REA Construction Cash Account. Although the \$20.00 and \$17.00 items were originally paid from General Funds, reimbursement was made from REA Construction Funds.	:	120.2 Cash-REA Construction Fund-Trustee	\$183.00	
	:	350 Land and Land Rights		\$ 7.50
	:	103.2 Work in Progress-Special Construction		175.50
	:	To record receipt of refund on canceled insurance policies.		



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REA Construction Funds Check No. 66 for \$120.00 was issued for membership in State Electrical Organization. As memberships of this nature are considered operating items, they should be paid from the General Funds. It is, therefore, necessary to refund this amount to REA Construction Funds.

<u>EVENTS</u>	:	<u>ENTRIES</u>	<u>Debit</u>	<u>Credit</u>
(30)	:	(30)		
Drew General Funds check No. 45 in the amount of \$120.00 to reimburse REA Construction Funds.	:	120.6 Transfer of Cash	\$120.00	
	:	120.1 Cash-General		\$120.00
	:	General Funds check No. 45 issued to reimburse REA Construction Funds for payment of State Electrical Organization fees.		
(30-A)	:	(30-A)		
Deposited General Funds check No. 45 to the credit of the REA Construction cash account.	:	120.2 Cash-REA Construction Funds - Trustee	\$120.00	
	:	120.6 Transfer of Cash		\$120.00
	:	General Funds check No. 45 deposited in REA Construction Funds.		
(31)	:	(31)		
The membership in State Electrical Organization covers a period of one year (Nov. 1, 1945, to Oct. 31, 1946) and was paid in advance and charged to Account 132.2 - Other Prepayments. Since 1/12 of the membership payment expired in November, that amount should be charged to the current month's operating expenses.	:	801.2 Dues Paid Associated Organizations	\$ 10.00	
	:	132.2 Other Prepayments		\$ 10.00
	:	To record one month's expense for membership in State Electrical Organization.		
(32)	:	(32)		
Recorded obligation for November rent.	:	803 General Rents	\$ 25.00	
	:	222.1 Accounts Payable-General		\$ 25.00
	:	To record rent due for month of November.		

The student will note that the ledger accounts used for recording the transactions of the 48 States Electric Cooperative in Text No. 16 are of a different form from those demonstrated in Text No. 15. Those in the earlier text represent the ordinary or "T" type of account, while those in this text represent the type recommended by REA.



1. [Illegible]

2. [Illegible]

3. [Illegible]

4. [Illegible]

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6. [Illegible]

7. [Illegible]

8. [Illegible]

9. [Illegible]



103.2 -- CONSTRUCTION WORK IN PROGRESS -- SPECIAL CONSTRUCTION

Date 1945	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov.						
1	Balance Brought Forward		367,867.97			
1	Depreciation on general plant during construction period	13	70.28			
15	Transfer to Account 903	25		10.00		
15	Refund on Insurance	29		175.50		
30	Balance to Acc. 103.4	13B		367,752.75		
					-0-	







103.3 - CONSTRUCTION WORK IN PROGRESS - FORCE ACCOUNT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.							
	30	Transportation Charges	2	24.87			
	30	Materials	3	234.56			
	30	Salary Paid Manager	4	19.00			
	30	Salary Paid Lineman	7	26.25			
	30	Unemployment tax paid	9	1.36			
	30	Social Security Tax, O. & B.	8	.45			
						306.49	





103.4 - UNCLASSIFIED ELECTRIC PLANT IN SERVICE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Balance from account 103.2	13B	367,752.75		367,752.75	





120.1 - CASH - GENERAL

Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
1	Balance Brought Forward	27	6,050.00	181.00		
30	Membership Subscriptions (Coll.)	4	50.00	126.50		
30	Manager's Salary	5		94.00		
30	Bookkeeper's Salary	6		124.50		
30	Stenographer's Salary	7		53.00		
30	Lineman's Salary	11		79.55		
30	Insurance	14		10.50		
30	Gas & Oil for Truck	15		4.50		
30	Purch. General Office Supplies	16		10.87		
30	Repairs to Truck	17		720.00		
30	Telephone & Telegraph	18		347.18		
30	Purchased Power	19		12.50		
30	Purchased Line Material	20		115.20		
30	Purchased Feed Grinder	21		1.50		
30	Un electrified Farm Survey	22		39.00		
30	Bank Service Charge	23		3.00		
30	Director's Fees and Mileage	24		8.62		
30	Subscription to REA News	26		120.00		
30	Reimbursement Petty Cash Fund	30				
30	Refund State Elec. Organization				4,048.58	





Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	1 15 30	Balance Brought Forward Insurance Refund Refund State Organization	29 30A	40,791.25 183.00 120.00		41,094.25	





120.6 - TRANSFER OF CASH

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Refund State Elec. Organization	30	120.00	120.00	0	
	30	Refund State Elec. Organization	30A				





122 - PETTY CASH

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
Nov. 1		Balance Brought Forward		25.00		25.00	





Text No. 16  
(Revised)

Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
Nov. 30	Sales for month of November	1	5,855.00		5,855.00	





Text No. 16  
(Revised)

125.4 - ACCOUNTS RECEIVABLE - SPECIAL CONSTRUCTION

125.4 - ACCOUNTS RECEIVABLE - CHURCH CONGREGATION							
Date	1945	Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.		1		54.00		54.00	
		Balance Brought Forward					





131.1 - MATERIALS AND SUPPLIES - ELECTRIC

Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
1945						
Nov.						
1	Balance Brought Forward		8,551.00			
30	Purchased Line Material	19	347.18			
30	Material Used	3		276.14		
					8,622.04	





131.2 - MATERIALS AND SUPPLIES - RESALE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Purchased Feed Grinder	20	12.50		12.50	





NOV 30 1949

18

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B. J. L.  
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132.1 - PREPAYMENTS--INSURANCE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	1	Balance Brought Forward					
	30	Additional Insurance Purchased	11	45.00			
	30	November premium written-off	12	53.00	12.75	85.25	





Test No. 16  
(Revised)

## 132.2 - OTHER PREPAYMENTS

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	1 30	Balance Brought Forward November Expenses	31	120.00	10.00	110.00	





135.1 - ALLOTMENT AVAILABLE FROM REL

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
Nov.	1	Balance Brought Forward		54,237.25		54,237.25	





142 -- PRELIMINARY SURVEY AND INVESTIGATION CHARGES

Date		Description	Ref.	Debits		Credits	Balance	
							Debit	Credit
Nov. 1945								
	30	Unelectrified farm survey	21	115.20			115.20	



200 - MEMBERSHIPS ISSUED

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	1	Balance Brought Forward			6,075.00		6,075.00





204 -- MEMBERSHIPS SUBSCRIBED BUT UNISSUED

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Membership Collected (10)	27		50.00		50.00





213.1 -- LONG-TERM DEBT -- REA CONSTRUCTION

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	1	Balance Brought Forward			450,000.00		450,000.00



222.1 - ACCOUNTS PAYABLE - GENERAL

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Rent for month of November	32		25.00		25.00





222.2 - ACCOUNTS PAYABLE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	1	Balance Brought Forward			76,200.00		76,200.00





228.1 - ACCRUED PROPERTY TAXES

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Estimated Property Tax	10		100.00		100.00



228.2 - ACCRUED U. S. SOCIAL SECURITY TAX - UNEMPLOYMENT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Unemployment Tax	9		1.80		1.80





228.3 - ACCRUED U. S. SOCIAL SECURITY TAX - OLD AGE BENEFIT

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.	1	Balance Brought Forward			9.00		
	30	Manager	4		2.00		
	30	Bookkeeper	5		1.50		
	30	Stenographer	6		1.00		
	30	Lineman	7		1.50		
	30	Employer's portion	8		6.00		
							21.00





228.4 - ACCRUED STATE SOCIAL SECURITY TAX - UNEMPLOYMENT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Unemployment Tax	9		16.20		16.20



229.4 - INTEREST ACCRUED - DEFERRED - FEA CONSTRUCTION

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	1 30	Balance Brought Forward Interest - month of November	26		855.87 650.57		1,506.44





230.2 - ACCRUED EMPLOYEES' INCOME TAX WITHHELD

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.							
	1	Balance Brought Forward			44.00		
	30	Manager	4		17.00		
	30	Bookkeeper	5		22.00		
	30	Stenographer	6		5.00		
	30	Lineman	7		24.00		
							112.00





230.5 - OTHER CURRENT AND ACCRUED LIABILITIES

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Insurance	12		1.00		1.00



250.3 - RESERVE FOR DEPRECIATION OF DISTRIBUTION PLANT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Depreciation	130		1,096.21		1,096.21





250.4 - RESERVE FOR DEPRECIATION OF GENERAL PLANT

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.	1	Depreciation during construction period	13		70.28		
	30	Depreciation for Nov. - operating period	13		35.44		
							105.72





Text No. 16  
(Revised)

## 301 - ORGANIZATION

Date	Description	For.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
Nov. 1	Balance Brought Forward		225.00		225.00	



Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
	Balance Brought Forward		2,456.20			
	Transportation	2	8.75			
	Manager's Salary	4	10.00			
	Linemen's Salary	7	15.00			
	Social Security Tax - Employer	8	.25			
	Unemployment Tax	9	.75			
	Refund on Insurance	29		7.50		
					2,463.45	





358 - LINE TRANSFERS

Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
1	Balance Brought Forward		2,718.00		2,718.00	





Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
	Balance Brought Forward		7,499.80			
	Manager's Salary	4	12.00			
	Linemen's Salary	7	18.75			
	Social Security Tax - O. A. B.	8	.31			
	Unemployment Tax	9	.92			
					7,531.78	



Text No. 16  
(Revised)

## 372 - OFFICE FURNITURE AND EQUIPMENT

Date 1945	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov.	1 Balance Brought Forward		1,271.40		1,271.40	





373 - TRANSPORTATION EQUIPMENT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	1	Balance Brought Forward		1,050.00		1,050.00	



377 - TOOLS AND WORK EQUIPMENT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	1	Balance Brought Forward		242.00		242.00	





503.3 -- DEPRECIATION OF DISTRIBUTION PLANT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Depreciation	13A	1,096.21		1,096.21	



503.4 - DEPRECIATION OF GENERAL PLANT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Depreciation	13	6.35		6.35	





507.1 -- TAXES -- PROPERTY

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Estimated Tax	10	100.00		100.00	



507.2 TAXES - U. S. SOCIAL SECURITY - UNEMPLOYMENT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Unemployment Tax	9	1.50		1.50	





507.3 - U. S. SOCIAL SECURITY TAX - OLD AGE BENEFIT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Employer's portion of tax	8	4.99		4.99	



507.4 -- TAXES -- STATE SOCIAL SECURITY -- UNEMPLOYMENT

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Unemployment Tax	9	13.47		13.47	





Date 1945	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov.	30 Interest	28	650.57		650.57	



600 - RESIDENTIAL SALES

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.	30	Sales for November	1		210.00		210.00





601.1 - RURAL SALES - FIRM

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	November Sales	1		3,385.00		3,385.00



601.2 - RURAL SALES - NON-FARM

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Sales for November	1		570.00		570.00





602.1 - COMMERCIAL AND INDUSTRIAL SALES - SUMMARY

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 30		Sales for November	1		1,140.00		1,140.00



602.2 COMMERCIAL AND INDUSTRIAL SALES - LARGE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Sales for November	1		390.00		390.00





603 -- PUBLIC STREET AND HIGHWAY LIGHTING

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Sales for November	1		160.00		160.00



738 - PURCHASED POWER

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	Power Purchased	18	720.00		720.00	





9



763 - OPERATION OF STREET LIGHTING AND SIGNAL SYSTEMS

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Manager's Salary	4	2.00		2.00	





768 - MAINTENANCE OF LINES

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Manager's Salary	4	29.00			
	30	Linemen's Salary	7	37.50			
	30	Frens. clearing Account	2	52.13			
	30	Material	3	21.95			
						140.58	



775 - MAINTENANCE OF STREET LIGHTING & SIGNAL SYSTEMS

Date 1945	Description	Ref.	Debit	Credit	Balance	
					Debit	Credit
Nov. 30 30	Manager's Salary Lineman's Salary	4 7	3.00 4.50		7.50	





Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 30	Manager's Salary	4	20.00			
30	Bookkeeper's Salary	5	70.50			
30	Stenographer's Salary	6	56.00			
30	Lineman's Salary	7	9.00			
					155.50	



787 -- UTILIZATION

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.							
1945							
	30	Manager's Salary	4	15.00			
	30	Steno-grapher's Salary	6	8.50			
	30	Lineman's Salary	7	3.75			
						27.25	





791 -- GENERAL OFFICE SALARIES

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.	30	Manager's Salary	4	75.00			
	30	Bookkeeper's Salary	5	79.50			
	30	Stenographer's Salary	6	35.50			
						190.00	



793 -- GENERAL OFFICE EXPENSES

Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
1945						
Nov.						
30	Misc. General Office Supplies	16	10.50			
30	Reimbursed Petty Cash	26	8.62			
30	Telephone and Telegraph Service	17	10.87			
30	Blank Service charge for month of November	22	1.50			
					31.49	





798 - INSURANCE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	Premium Expense - November	12	4.00		4.00	



799 - INJURIES AND DAMAGES

Date 1945		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov.	30	Premium expense - November	12	6.00		6.00	



801.1 - DIRECTORS FEES AND MILEAGE

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Directors' fees and mileage	23	39.00		39.00	





801.2 - DUES PAID ASSOCIATED ORGANIZATIONS

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945	30	State Organization Membership	31	10.00		10.00	



801.4 - MISCELLANEOUS GENERAL EXPENSES

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
Nov. 1945							
	30	Subscription to REA News	24	3.00		3.00	





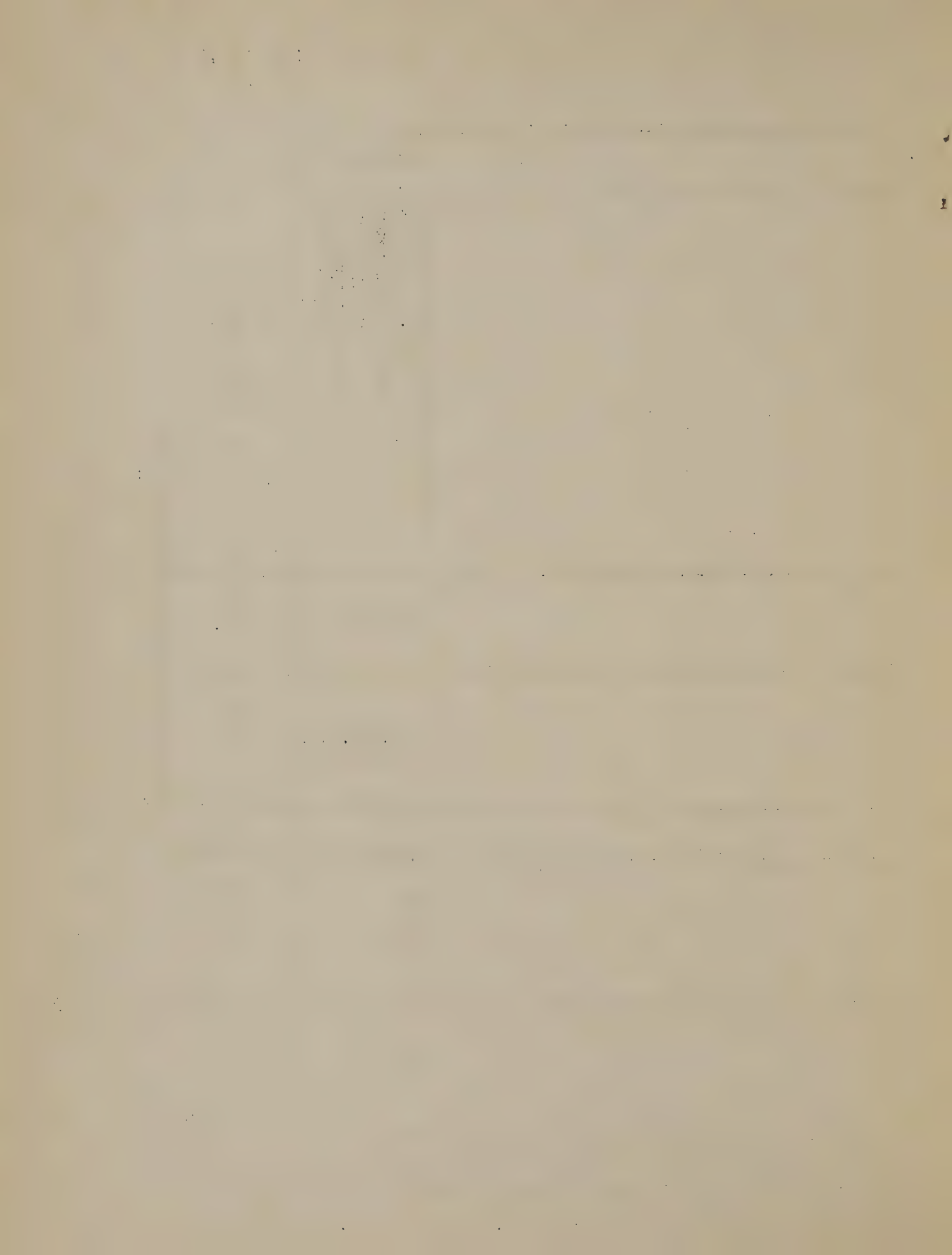
803 - RENTS

Date		Description	Ref.	Debits	Credits	Balance	
						Debit	Credit
1945							
Nov.	30	November Rent	32	25.00		25.00	



903 - TRANSPORTATION EXPENSES - CLEARING

Date	Description	Ref.	Debits	Credits	Balance	
					Debit	Credit
Nov. 1945						
15	Auto license	25	10.00			
30	Insurance Expense	12	3.75			
30	Depreciation	13	29.09			
30	Gas & Oil for Truck	14	79.55			
30	Repairs to Truck	15	4.50			
30	Clearing Transportation Charges	2		126.89		
					- 0 -	



48 STATES ELECTRIC COOPERATIVETRIAL BALANCENovember 30, 1945

<u>Account No.</u>	<u>Name of Account</u>	<u>Debit</u>	<u>Credit</u>
103.3	Construction Work in Progress - Force Account	\$ 306.49	
103.4	Unclassified Electric Plant in Service	3,367,752.75	
120.1	Cash-General	4,048.58	
120.2	Cash - REA Construction Fund - Trustee	41,094.25	
122	Petty Cash	25.00	
125.1	Accounts Receivable - Electric Consumers	5,855.00	
125.4	Accounts Receivable - Special Construction	54.00	
131.1	Materials and Supplies - Electric	8,622.04	
131.2	Materials and Supplies - Resale	12.50	
132.1	Prepayments - Insurance	85.25	
132.2	Other Prepayments	110.00	
135.1	Allotment Available from REA - Construction	54,237.25	
142	Preliminary Survey and Investigation Charges	115.20	
200	Memberships Issued		\$ 6,075.00
204	Memberships Subscribed but Unissued		50.00
213.1	Long-Term Debt - REA Construction		450,000.00
222.1	Accounts Payable - General		25.00
222.2	Accounts Payable - Special Construction		36,200.00
228.1	Accrued Property Tax		100.00
228.2	Accrued U.S. Social Security Tax - Unemployment		1.80
228.3	Accrued U.S. Social Security Tax - Old Age Benefit		21.00
228.4	Accrued State Social Security Tax - Unemployment		16.20
229.4	Interest Accrued - Deferred - REA Construction		1,506.44
230.2	Accrued Employees' Income Tax Withheld		112.00
230.5	Other Current and Accrued Liabilities		1.00
250.3	Reserve for Depreciation of Distribution Plant		1,096.21
250.4	Reserve for Depreciation of General Plant		105.72
301	Organization	225.00	
350	Land and Land Rights	2,463.45	
358	Line Transformers	2,718.00	
360	Meters	7,531.78	
372	Office Furniture and Equipment	1,271.40	
373	Transportation Equipment	1,050.00	
377	Tools and Work Equipment	242.00	
503.3	Depreciation of Distribution Plant	1,096.21	
503.4	Depreciation of General Plant	6.35	
507.1	Taxes - Property	100.00	
507.2	Taxes - U.S. Social Security - Unemployment	1.50	
507.3	U.S. Social Security Tax - Old Age Benefit	4.99	





48 STATES ELECTRIC COOPERATIVETRIAL BALANCE (Cont.)November 30, 1945

<u>Account No.</u>		<u>Debit</u>	<u>Credit</u>
507.4	Taxes - State Social Security - Unemployment	\$ 13.47	
530.1	Interest on REA Construction Loan	650.57	
600	Residential Sales		\$ 210.00
601.1	Rural Sales - Farm		3,385.00
601.2	Rural Sales - Non-Farm		570.00
602.1	Commerical and Industrial Sales - Small		1,140.00
602.2	Commerical and Industrial Sales - Large		390.00
603	Public Street and Highway Lighting		160.00
738	Purchased Power	720.00	
761	Operation of Lines	111.02	
763	Operation of Street Lighting and Signal Systems	2.00	
768	Maintenance of Lines	140.58	
775	Maintenance of Street Lighting and Signal Systems	7.50	
780	Meter Reading, Accounting and Collecting	155.50	
787	Utilization	27.25	
791	General Office Salaries	190.00	
793	General Office Expenses	31.49	
798	Insurance	4.00	
799	Injuries and Damages	6.00	
801.1	Directors Fees and Mileage	39.00	
801.2	Dues Paid Assoicated Organizations	10.00	
801.4	Miscellaneous General Expenses	3.00	
803	Rents	25.00	
		<u>\$501,165.37</u>	<u>\$501,165.37</u>



## CONSUMERS LEADER CARD

<u>Name</u>	<u>ACCOUNT NUMBER</u>
-------------	-----------------------

Address	First Date	First renewal
---------	------------	---------------

Reading Date _____	Date Due _____	Bellingham Date _____	Bellingham Year _____
--------------------	----------------	-----------------------	-----------------------

[illegible][illegible]

This card may be obtained in various colors, one to be used for Farm consumers, another for Non-Farm, etc.





DAILY WORK REPORT

Text No. 16 (Revised)  
Illustration No. 2

DATE 11/2/45

TRUCK NO. 1	WORKMAN							
SPEEDOMETER READINGS:								
ENDING 72582								
BEGINNING 72442								
NO. OF MILES 140								
	(driver)	Bob Johnson	Jack Taylor	Ralph Jones				
DESCRIPTION OF WORK	ACCT. NO.	HOURS WORKED						MILES
OPERATION - SUPERVISION AND ENGINEERING	756							
OPERATION OF LINES	761							
SERVICES ON CONSUMERS PREMISES	762							
OPERATION OF STREET LIGHTING & SIGNAL SYSTEMS	763							
MAINTENANCE - SUPERVISION & ENGINEERING	764							
MTCE. OF STRUCTURES AND STATION EQPT.	765							
MAINTENANCE OF LINES	768	4						56
MAINTENANCE OF TRANSFORMERS	770							
MAINTENANCE OF SERVICES	771							
MAINTENANCE OF METERS	772							
MTCE. OF PROPERTY ON CONSUMERS PREMISES	773							
MTCE. OF STREET LIGHTING & SIGNAL SYSTEMS	775							
METER READING & COLLECTING	780							
UTILIZATION	787							
GENERAL OFFICE SALARIES & EXP.	791							
STORES EXPENSE	810							
WIRING INSPECTIONS	527							
SICK, OFF AND UNALLOCABLE TIME	761							
RIGHT OF WAY	350							
CONSTRUCTION WORK ORDER #389	103.3	2/2	2/6	2/8				56
	103.3							
	103.3							
	103.3							
	103.3							
	103.3							
	103.3							
	103.3							
RETIREMENT WORK ORDERS #390x	144	2	2					28
	144							
	144							
	144							
TOTAL REGULAR HOURS		8	8	8				140
TOTAL OVERTIME HOURS		2	2	2				



Text No. 16 (Revised)  
Illustration No. 3

EMPLOYEES NAME Bob Johnson

THIS IS A CORRECT STATEMENT  
OF HOURS WORKED AND  
PAYMENT RECEIVED Bob





SUMMARY AND DISTRIBUTION OF TRANSPORTATION COSTS

PERIOD 11/1/45

Text No. 16 (Revised)  
Budget Bureau No. 40-R-1370  
Expiration Date 3/31/46  
TO 11/30/45

DATE OF MONTH	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	TOTAL	RATE	AMOUNT
TRUCK NO. 1		140	27	39	52	28	43		84	63	28	47	52			41	27	54	21	37			0	0	43	32	38					896	.07	62 72
2		150	62	55	72	49	0		67	89	54	63	91			40	74	97	41	63			27	63	0	34	43					1234	.10	123 40
3																																		
4																																		
5																																		
6																																		
7																																		
8																																		
TOTAL MILES AND AMOUNT	290	89	94	124	77	43	43	151	152	82	110	143	143	81	101	151	62	100	62	100	27	63	43	43	66	81						2130	.0874	186 12
ACCT.																																		
103.3 CONSTR. W.O.	56	40	25	64	41			32	18	38	42	24				36	22	49	23	41			27	43	0	42	53					716	.0874	62 56
144 RETIREMENT W.O.	28								23	10								14														75	"	6 55
761 OPERATIONS of lines	75	27	39	26					42			33	27			22		19	17							10						337	"	29 45
762 Cons. Premises								22								16																38	"	3 32
768 MAINTENANCE of line	56	22	30		36	43		52	37	34		62				23	29	32	20	42			20	43	14	28						623	"	54 44
770 " of Trans.				14																												54	"	4 72
773 " " Consumers' Premises									32																							32	"	2 80
780 METER READING																																		
787 UTILIZATION																																		
791 GENERAL OFFICE				20				45			35	30				50																180	"	15 73
350 RIGHT OF WAY	75																															75	"	6 55
TOTAL MILES & AMOUNT	290	89	94	124	77	43	43	151	152	82	110	143	143	81	101	151	62	100	62	100	27	63	43	43	66	81						2130	"	186 12





STOCK RECORD CARD

Budget Bureau No. 40-R-1363  
Expiration Date 3/31/46  
Text No. 16 (Revised)  
Illustration No. 5

ITEM	Pole - Southern Yellow Pine	CLASS, SIZE OR TYPE	30-7

BIN NO.

[illegible]



